G.R.S. IX—5]

Previous references.
Dte 33-24-(31, 34 & 37) (Dte)

192 2.

File No. 60 of 22

Serial Nos. 1—8 & 3(a).

Later references.
Dte. 197-22(4 & 7)
" 197-22(8—10)
" 10-23 (1-6)
D.O. file 24-81-1
D.O. file 87-30 (1-2)

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 8

Part B for March 1923

SUBJECT

Agreement with Kirkpatrick and Kanauj Distilleries for the Sale of Sandalwood oil

---

Sd. 8/

To

The Director of S.O. Tds
Your D.O. No. 3805 of 11/12/23
States that the execution of a formal ——— may be deferred for the present.

Printed on the Multigraph.

BBB

R. S. III-21

General and Revenue Secretariat.

Pc File No. 60 of 1922-23

Serial No.

A copy of Mr. Council resolution is submitted for approval with a draft D.O. letter to the Divisional-in-charge Sopore for approval.

Mir
8.7.22

1st Member
8.7.22

2) D.O. approved

Peel
8.7.22

3) Done above
Mir
9/7

D.O.No. 140 dated 8th July 22 to Mr. Y. Narasinga Rao Divl. incharge Sopore.

States that pending formal confirmation the Honorary and the Kutbyar properties may be informed that their offer is accepted so that they may be able to get shipments off for sale through Messrs. Whitefields in August if possible.

3) Send proceedings as to the further action to be taken in the matter. Particulars of the prices of the remaining pile may be awaited after

Sd/ 10.7.22

Sent to the Conservator Branch to be united with the main file by Mir
10/7

NOTE—Contn. sheet.

Extract from the Proceedings of the 618th *Meeting of the Council of His Highness the Maharaja, held at Bangalore on the* 6th July 1922.

(7)

10. Subject. - Clause xii of the schedule.

Agreement with Kuppam & Kanouj Distilleries for the sale of sandalwood oil.

OPINION OF THE COUNCIL.

The proposal of the Sandalwood Oil Factory for entering into an agreement with the Kanouj and Kuppam Distilleries for the sale of sandal oil through the State agency as specified in My. Y. Narasinga Rao's letter of 4th July 1922 may be approved.

Pending formal confirmation, Sandalwood Oil Factory may be instructed to let Kanouj and Kuppam know that their offer is accepted, so that they may be able to get shipments off for sale in August if possible.

(Signed) A. R. BANERJI,

Dewan of Mysore.

"EXTRACT"

Chief Secretary to Government.

WD 433—GPB—1,000—1-9-20

C 11
(3

G. R. S. III-2.]

General and Revenue Secretariat. | Je File No. [illegible] of 1922-23

Serial No.

31. All urgent or confidential files returned with His Highness' orders may, in the absence of instructions or indications to the contrary, be ordinarily circulated to the Members of Council for perusal after the issue of orders.

33. The Secretari s concerned should see that orders in the cases referred to above are issued at once and that the files are returned immediately after to the Chief Secretary for circulation to the Members.

34. In all other cases, the files will first be circulated to the Members of Council at headquarters and then sent to the Secretariat concerned for the issue of orders.

Circulated to the Members of Council for perusal of His Highness' orders ~~after~~ before issue of orders. (*Vide* Rules 31, 33 and 34 or the Subsidiary Rules for the conduct of business of Council in the Manual of Council Rules and Procedure.)

[illegible]
Chief Secretary to Govt.

Through the Secretary to Government,
.....General.....Department.

20.7.22

The D^r S.O.F. has been duly informed to call on Sir G. Clakalis in the matter.
Notes 19/7

671-194
20.7.22

FIRST MEMBER OF COUNCIL Seen.
S.O.F may kindly be asked if reply has been received before further action is taken
Recd 21-7-22.

599
28/7

SECOND MEMBER OF COUNCIL. 22/7

THIRD MEMBER OF COUNCIL.

NOTE.—Contn sheet.

VD. 923—GPH—500—3-11-21

25/7/22 General Secy. with the compliments.

C 11 of 22-23.

Extract from the Proceedings of the 618th *Meeting of the Council of His Highness the Maharaja, held at Bangalore on the* 6th July 1922. *19*

(9)

10. Subject. - Clause xi (b) of the schedule.

Agreement with Kuppam and Kanouj Distilleries for the sale of sandalwood oil.

OPINION OF THE COUNCIL.

The proposal of the Sandalwood Oil Factory for entering into an agreement with the Kanouj and Kuppam Distilleries for the sale of sandal oil through the State agency as specified in Mr. Y. Narasinga Rao's letter of 4th July 1923 may be approved Pending formal confirmation, the Sandalwood Oil Factory may be instructed to let Kanouj and Kuppam know that their offer is accepted, so that they may be able to get shipments off for sale in August if possible.

(Signed). A. R. BANERJI,

DEWAN OF MYSORE.

"EXTRACT"

Chief Secretary to Government.

WD 433—GPB—1,000—1-9-20

C 11

(6

General and Revenue Secretariat. | de File No. 60 of 1922-23.

	Serial No.	
		(10)
		Submitted with Extract of the Council Resolution.
		First Member) 8/7/22
386-386 12.7.22		Final Note signed by the Member is placed on file Note 12.7.22.
		D.S.N. Subs. Dewan) 12/7 13/7/22
386-386 12.7.22		

(6

Final Note by the First Member of Council.

(11)

Subject:—

Agreement with the Kangundi Industrial Works, Kuppam, and the Kanouj Distillery, for the sale of sandalwood oil manufactured by them through our London Agents.

Y & Z

The accompanying papers relate to the proposal of the Kuppam and the Kanouj Distillers to arrange to sell the sandalwood oil distilled by them through our agents in London, namely Messrs. Whiffen & Sons. The idea is that the oil market overseas should be under one management and control and the desirability of all the three chief distillers of sandalwood oil in India (namely the Kangundi Industrial Works, the Kanouj Distillery and the Mysore Government) working together is urged. This proposal is supported by the Superintendent, Sandalwood Oil Factories, who thinks that this arrangement is likely to materially help us to develop our business by removing a good part of the present disturbing factors. Sir Alfred Chatterton is, it is understood, also agreeable to the proposed arrangement. He has been cabled in the matter and his reply is awaited.

2. The matter was considered in Council at the meeting held on the 6th instant and the following opinion was recorded:-

H

"The proposal of the Sandalwood Oil Factory for entering into an agreement with the Kanouj and the Kuppam Distilleries for the sale of sandal oil through the State agency, as specified in Mr. Y. Narasinga Rao's letter of 4th July 1922 may be approved. Pending formal confirmation, the Sandalwood Oil Factory may be instructed to let Kanouj and Kuppam know that their offer is accepted so that they may be able to get shipments off for sale in August if possible."

3. I solicit His Highness' gracious approval to the above recommendation of the Council.

P Raghavendra Rao
12.7.22

10th July 1922. MEMBER OF COUNCIL.

(7)

Submitted to His Highness.

(12)

I submit herewith a Final Note by the First *Member of Council on the subject of* agreement with the Kangundi Industrial works, Kuppam, and the Kanouj Distillery, for the sale of sandalwood oil manufactured by them through our London Agents, *for His Highness' gracious approval.*

Dewan.

12 JUL 1922

(9

G. R. S. III-2

General and Revenue Secretariat. | 92C File No. 60 of 1922

Serial No.

Submitted a draft—

81 27/7/22 1) For approval—

Mr Narasinga Rao has already been addressed informally about this and Sir Charles has also replied approving of the arrangements—vide papers in the Limited file—

MB

29.7.22

2) CL Secy

Asst Secretary

3) 29.7.22

MB

4) The draft may be examined once again I have made corrections in it.

1024-484

29.7.22

Secy

5) 31.7.22

6) 2.8.22

MB 2/8

7) The draft has been once again examined. Perhaps the word "Equal" may stand in para 3—vide also para 6 of Mr Narasinga Rao's letter dt 4.7.22

8) If approved the draft minutes

MB 2.8.22

Secy.

CL Secy

NOTE—Contn. sheet.

(10

G. R. S. III-2]

General and Revenue Secretariat. | Gte File No. 60 of 1922.

Serial No.

24)

The Members Correction of the word 'equal' to 'proportionate' is correct. In para 6 of our Nagpur No. letter of 4th July 22, the word used is "Correspond". which suggests proportion and not "equal" which means identity. It is not a mere matter of words. If the total Sale of oil in a month is for example less than the stock of one of our partners on the 1st of that month, our partner is entitled not to the whole Sale proceeds or $\frac{11}{100}$ or $\frac{9}{100}$ of the Sale proceeds as the case may be but only to $\frac{x}{100}$ of the Sale proceeds where x is the actual percentage of stock less than 11 or 9 according to hypothesis. For example in a concrete case, if out of a hundred units of oil the proportion on the first of a month was not 80 : 11 : 9

NOTE—Contn. sheet.

(11

G. R. S. III-2]

General and Revenue Secretariat. | Etc File No. 60 of 1922.

Serial No.

24)

The members correction of the word 'equal' to 'proportionate' is correct. In para 6 of our Waraburgh Roe's letter of 4th July 22, the word used is 'Correspond' which suggests proportion and not 'equal' which means identity. It is not a mere matter of words if the whole oil in a month is for example less than the stock of one of our partners on the 1st of that month, our partner is entitled not to the whole oil proceeds or $\frac{11}{100}$ or $\frac{9}{100}$ of the oil proceeds as the case may be but only to $\frac{x}{100}$ of the oil proceeds where x is the actual percentage of stock less than 11 or 9 according to hypothesis. In example in a concrete case, if out of a hundred units of oil, the proportion on the first of a month was not 80 : 11 : 9

NOTE—Contn. sheet.

G. R. S. III-2.

General and Revenue Secretariat. D/c File No. 60 of 1922.

Serial No.

10 and 4/5 units were sold in 90:5:5, the Kanpur brisks bid for the sale proceeds not of $\frac{11}{100}$ × 4 units ie $\frac{11}{25}$ units not containing of all the four units, but of $\frac{5}{100}$ × 4 units ie $\frac{1}{5}$ unit only, as the proportion in the stock of oil of 90:5:5 composition is 5 p c only for the Kanpur brisks.

25) I have added the words "for sale" in the draft in para 3 for precision.

The draft as corrected by the member may be passed.

First Member

B 3/8/22

26) Since writing the above, I have had the benefit of a discussion with the Asst Secy and the Director in charge of S.O. factories. Although proportion of Sale

NOTE—Contn. sheet.

Serial No.

proceeds & proportion of stock is a legitimate arrangement. Market conditions appear to have led to a practice more favourable to the small stock holder whereby he gets a distribution of sale proceeds proportional not to proportion of stock but to his absolute stock subject to a fixed percentage 9 or 11 as the case may be of the total sales. This also is a proportion though it is not the compound proportion that would have been more favourable to us if we could have secured it. The compound proportion may be put forward at the next negotiation to get better terms. Meanwhile, as the market conditions are now what they are, the draft may be approved with the word "proportional" in it, struck

NOTE—Contn. sheet.

G. R. S. III-2.

General and Revenue Secretariat. | File No. 60 of 1922.

Serial No.

inspection may be arranged by the Board.

The note on the linked file on the oil account for the period ending with 30th April may also be perused in this connection.

Asst Secretary

8/8/22

1284-174. 8.8.22.

27) Not approved.

[redacted]

Sec'y
8-8-22

28) The question was discussed with the Member yesterday. I have put up a draft letter to the Government for approval as intimated by the Member.

Sec'y
16.8.22

29) Sec'y

1555-70. 17.8.22.

30) Asst Secretary

17-8-22

Not approved

Sec'y
17/8

NOTE—Contn. sheet.

31) ?
18-8-22

Sec'y
18.8.22

98/5

G. R. S. III-2]

General and Revenue Secretariat.

98 File No. 60 of 1922

Serial No.	
4	D.O No. 1235 dated 12th Aug 1922, to the Director in charge S.O.7., Requesting information on certain points connected with the agreement to be entered into with the Ramon and the Petroleum distillers for the joint Sale of Sandal oil.
5	D.O. No. 650 dated 24th Aug. 1922, from the Director in charge, S.O.7. Furnishes the information required in the above letter.

33) Submitted for perusal and orders, with the previous papers.

81 28/8/22

34) We approve the draft order on the file and may issue with the word "equal" retained in sub para (2) paragraph 4 of the reading portion of the order.

33)

Mr 4/9/22

Saunders

Secretary

5/9/22

Mr

33)

appointed. I have since talked to the point over with Mr. V. Narasimha Rao

2024-163

8.9.22

NOTE—Contn. sheet.

G. R. S. III-2]

General and Revenue Secretariat. | File No. Co of 19 22

Serial No.

the position can be examined at the end of the present term in the light of the experience gained during it, should it be decided to continue the arrangement.

Secy
9.9.22

37) B 9-9-22

38) Issue draft
min
11/9

6. 1641-2 & 14.9.22

To

The Dir - S.O. I
Coimbatore.

Approval of the proposals of the D.S.O. I referred to in Sl. No. 5 above states that arrangements shall begin to operate from 1st July 1922 and shall be in force for a period of one year and requests the Director S.O. I to get a draft of an agreement on the above lines prepared in consultation with the Government Advocate and submit the same for the early approval by Govt.

Secy
31/10

17 OCT 1922
REVENUE SECRETARIAT
PRISONS & COMMERCE BRANCH

NOTE—Contn. sheet.

General and Revenue Secretariat. | Ite File No. 60 of 19 22

Serial No. 7

Letter No. 1445 dated 9th November 1922 from the Director-in-charge, Sandalwood oil factory, Bangalore.

With reference to Serial 6 states that the arrangement with the Kuppam and Kanauj distillers actually came into effect from the 1st of September last and as it has so far caused no inconvenience to either of the parties it may be allowed to continue as at present and no formal agreement is considered necessary.

39) The Director-in-charge adds that Sir Alfred Chatterton who was consulted in the matter of the agreement is also of opinion that no formal agreement is necessary. 40) Mark Discuss with Sir Alfred Subd for orders Chatterton when he comes here.

CMG 11.11.22 11.11.22

41) G.I.dept.

The agreement does not appear to be so favourable to us that we should insist on a formal agreement. Moreover a

NOTE—Contn. sheet.

G. R. S. III-2]

2176

General and Revenue Secretariat.

Jt File No. 60 of 19

Serial No.

formal agreement & may stream an immediate definition of points that may better be kept elastic. Perhaps Sir Alfred Chatterton may also be consulted, now that he is here

Secretary 30/11/22

42)

Given to A.S for necessary

4602-94
4.12.22

The G.O of 16.9.1922 directs the Sub. Mission of a Memo. for a formal agreement. Bombay in the light of recent developments it does not seem to be necessary to push this matter. I would wait & see how the arrangement works for at least eight months before deciding on further action is to be taken. I do not think there is any need to consult Sir Alfred in view of what Mr. Narasimha Rao has stated in para 2 of his letter of 9.11.22.

(Secy. There has been an inordinate delay in the submission of this reference)

(Much regret the delay due to heavy work
6.12.22)

43)

Secretary 5.12.22

Agree
5.12.22

44)

A.S 6.12.22

NOTE—Contn. sheet.

(48

G. R. S. III-2]

General and Revenue Secretariat. | It File No. 60 | of 19 22

Serial No. 457

Draft Sibd

Cuj 9.12.22 457 Jony

8 3805 Q 11.12.22

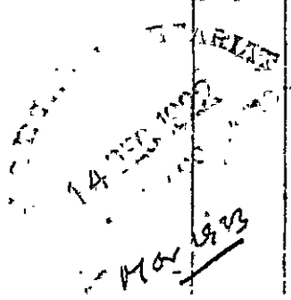
To

The Director

L.O. Factories.

States that the execution of a formal agreement with Kuppam and Ranay distilleries in accordance with the G.O Q 14-9-22 may be deferred for the present as suggested by him.

Bt Sub B, 18th September 1923



NOTE.—Contn. sheet.

Tel. Address:—"Sandal Bangalore."

GEN. & REV. SECRETARIAT
27 JUL 1922
INDUSTRIES & COMMERCE
CONFIDENTIAL

No. 31
Encls. 4

SANDALWOOD OIL FACTORY,
SANKEY'S LODGE,

Bangalore 4th July, 1922.

Dear Sir,

I beg to forward in original a letter dated 30th June from the Kangundi Industrial Works, Kuppam, in the matter of selling their B.P. Standard Sandalwood Oil through our London Agents.

2 The terms on which they are willing to join us are explained in the body of the letter. Mr. Mathuraprasad Surajprasad of Kanauj will continue with us as from last year. His telegram dated 29th June is also enclosed.

3 This arrangement is likely to materially help us to develop our business by removing a good part of the present disturbing factors.

4 The Bombay agreement which fell through, was rather complicated to work. The present arrangement is, on the other hand, very simple.

5 In the Bombay agreement Kuppam was allowed 13% and Kanauj 9%. Under the present arrangement the former only gets 11% while the latter's figure continues.

6 If the other two parties keep sufficient stock with the agents on the 1st of each month, they get their corresponding quota out of the sales for that month. If their stocks were either less than their quota, or nothing, the credits to be afforded to them would correspond thereto.

7 Freedom is retained by all with respect to sales in India, but at a uniform rate to be adopted by all on the basis of London rates.

8 These parties had approached us with a similar request

in

in December last, (Copy enclosed for reference) but Sir Alfred Chatterton declined to proceed in the matter as Kuppam people were not free to act independently, as they had been tied down by an agreement with Messrs. Peirce Leslie, which has now expired. Sir Alfred Chatterton is therefore, I take it, agreeable to the present arrangement. I have also cabled him in the matter.

It follows that Kuppam people cannot, under this arrangement, export any oil outside India except to our Agents. They request, therefore, that they may be given their share in the sales for July. This does not appear possible as their oil has not yet been shipped to London.

Even to get their share in the sales for August, it is necessary that their consignment should be shipped immediately which they can only arrange after receiving our reply to their letter.

I request therefore very early sanction of Government in the matter.

The originals may kindly be returned when done with.

Yours sincerely,

Yrarasuga Rau

RAJAMANTRAPRAVINA

P. RAGHAVENDRA RAO, Esq., B.A., B.L.,

FIRST MEMBER OF COUNCIL.

Bangalore,

16th December 1921.

To

The Superintendent,

Sandalwood Oil Factory,

B a n g a l o r e.

Dear Sir,

Seeing the course the last sandalwood auction sales have taken we, viz., Kangundi Industrial Works and Madura Prasad Suraj Prasad of Kanauj, who are the chief distillers of Sandalwood Oil in India, besides Mysore Government, consider it very necessary that the oil market overseas should be under (our) management and control. We therefore suggest the desirability of all three of us working together.

It is at the same time essential that the proposed combination should be worked on clear and simple lines. We are agreeable to send our B.P. Oil consignments to your London Agents who will be the common agents for all. During the pendancy of our (Kangundi Industrial Works) agreement with Messrs. Peirce Leslie, our consignments will be forwarded to them and such forwardings be informed to Government Agents. Messrs. Peirce Leslie & Co., will account their sales to the Government Agents every month direct and value adjusted between them. In the matter of fixing of prices etc., Messrs. Peirce Leslie will act according to the instructions of the Government Agents. In the sales effected every month we agree to take the following percentages:-

Kangundi Industrial Works.	...	11%
Mathuraprasad Surajprasad.	...	9%

We agree to maintain a running stock in London, which would be not less than what would be required for our percentages. If, in any month, there is no stock of ours, or less than the required percentage, our actual credit for the month will be accordingly affected. That is, we derive no income, if there is no stock in London and less than our percentage if our stock is less than the percentage quantity.

The

The monthly accounts will be rendered by Messrs. Peirce Leslie & Co., to the Government Agents.

The transactions in India will be confined to the deliveries made in India and not controlled by this arrangement. - But it is understood that the rupee price in India will be fixed on the sterling price in London and the same price ~~should adopted~~ be by all.

We will endeavour among ourselves to have a common understanding for the sales of Bhatti Oil. It will also be our aim - not to sell it at such a rate as to the enable the purchaser to re-distil it and compete with our B.P. oil.

We may try this arrangement for the next calendar year and again revise it, if necessary, after the next Auction Sales.

Yours faithfully,

For KANGUNDI INDUSTRIAL WORKS (Sd/-
(Sd/-

" Mathuraprasad Surajprasad Sd/-

POSTS TELEGRAPHS.

123

NOTICE.

This form must accompany any inquiry made respecting this Telegram.

Charges to pay. | Office Stamp

Rs.

HEBBAL 29 JUN 22

Handed in at (Office of Origin). | Date | Hour | Minute | Service Instructions | Words

Rcvd. here at | H. | M.

N.B.—The name of the Sender, if telegraphed, is written after the text.

Lal Chand & Sons—2552—30-8-19—1,40,000 Rks. (Rcm. IV).

B. S. F. 4.

GOVERNMENT OF MYSORE

OFFICE OF THE DIRECTOR OF
SANDALWOOD OIL FACTORIES, SANKEY'S LODGE.

Tel. Address:
"Sandal, Bangalore."

CONFIDENTIAL. Bangalore 7th July, 1922

D.O. 75

Dear Sir,

In continuation of my Confidential D.O. letter of the 3rd instant, regarding Kuppam people, I have to inform you that a cable was received this morning from Sir Alfred Chatterton that "Kuppam (People) may consign oil Whiffens". It is clear from the cable that Sir Alfred Chatterton approves of the proposal now made by me to Government.

I request the favour of early orders.

Yours sincerely,

Yrs as sig Rau.

Rajamanthrapravina

P. Raghavendra Rau, Esq., B.A., B.L.,
First Member of Council.

DR 60-22

D.O. no. 9c/40/IAC 22

& 8.7.22

Signed by
M. M S.R. Rao

Dear Sir,

With reference to your D.O. letter No.75 dated 7th July.1922 addressed to the First Member of Council in the matter of the arrangement for marketting sandal-oil belonging to the Kuppam people, I am desired to state that, pending formal confirmation, you may intimate the Kanouj and the Kuppam people that their offer is accepted so that they may be able to get shipments off for sale through Messrs. Whieffines in August, if possible.

Yours sincerely,

Rec 8.7.22

8/7/22

Mr 8.7.22

Y. Narasinga Rao, Esq., B.A., B.L.

dress:—"Sandal Bangalore."

GOVERNMENT OF MYSORE

SANDALWOOD OIL FACTORY,
SANKEY'S LODGE,

Bangalore 3rd August, 1922.

CONFIDENTIAL.

No. 423

S&C 60-22-3a

From

Y. Narasinga Rau, Esq., B.A., B.L.,
Director in charge,
Sandalwood Oil Factories,
Bangalore.

To

B. Venkoba Rao, Esq., B.A.,
Secretary to the Government of
Highness the Maharaja of Mysore,
General Department,
Bangalore.

S i r,

I have the honour to append in the margin the quantity of Sandalwood Oil delivered both in London and in Bangalore, during the two weeks ending with Monday the 31st July 1922.

Deliveries in London.		Bangalore	
lbs.	ozs.	lbs.	ozs.
1641	- 0	47	- 13

According to our agreement with the Company's people, the distribution of stock on the 1st of each month in London is important, it is desirable to call for this information for record here. The total sales in each month and the rate of distribution

I have the honour to be,
Sir,
Your most obedient servant,

Yrcarasinga Rau
Director in charge.

G.R.S. III—3]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

---

of Sale proceeds
each month among
the partners. May
also be ascertained
for record there &
here —

Asst
Member

B
4/8/22

The monthly
account furnishes
the stock of partners
in the month. but
does not ~~of~~ now
take the stock
Specifically on the
1st. The date
of important clause
& the agreement.

B
8-8-22

First
Member

I agree in the above
view. Post as matter stands
it will be of theoretical interest,
file the agreement file.

Asst
9-8-22

1236-176
8.8.22.

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form

(2k

G. R. S. VI—G/32]

SUBJECT.....

.....

.....

Diary No. of letter replied to

General and Revenue Secretariat

( )

the 191 .

Date of issue 19/8/22

Signed by Mr R.V

Section (1)C

File No. 60-22

Serial No. 4

D. O No. 9.C. 1235

Encl:- Letter d/ 30.6.22 from Prohibition

Kanagutti works Kuppam in Original

To

Dear Mr Narayana Rao,

Please refer to Correspondence ending with your letter No 21 D. 4.7.22 in the matter of the agreement to be entered into with the Kanagutti Kuppam Distillers for the purchase of Sandalwood.

I am directed to state that the exact significance of the arrangement contemplated in para 3 of the letter under reply received from the Kuppam works

over.

29)

And Sent as Enclosure Upon Letter
under advertance may be Explained

Information on the following
points could also be furnished
you may also kindly be furnished:—

1) What is the Stock that
the two private distillers
will be Expected to maintain
both on the Spirits on
the 1st January next?

2) In case their Stock on the
1st January next is Less
than the prescribed
limit is the Excise Stock to be considered
as having been sold during
the month?

3) If the answer to the second
point is in the affirmative
do the private distillers
pay a distinct advantage
as against the first?

I am also to request

List of enclosures.

Seen

Copied by

Examined by

2/08

(32

G.R.S. 27]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation Sheet draft form.*)

Yar to state on what basis the oil blending to these Lantrens are being dispensed given.

Yours sincerely

Paul
8.8.22

[illegible]
16.8.22

Tel. Address :—"Sandal Bangalore."

SANDALWOOD OIL FACTORY.
SANKEY'S LODGE.

CONFIDENTIAL.

Bangalore 24th August, 1922.

No. 650
Encl. 1

Dear Mr. Venkoba Rao,

With reference to your D.O. letter IC.1235 of the 19th instant in the matter of selling Kuppam and Kanauj oil through our London - agency, I have to state that according to the present understanding with them, Kuppam Distillers are entitled to get credit for 11% of the total sales effected during any month, provided their stock with the agents at the beginning of the month was not less than that and their share limited to the actual quantity of stock if it was less than 11%. The percentage of Kanauj is 9 under similar limitations.

Since the sales during any month are an indeterminate figure, the parties have to take their chances as regards their stocks. But the quantities which they can maintain are further limited by their actual monthly output. The Kuppam distillers may not be able to spare more than 1000 or 1200 lbs. per month on the average for being consigned to London. The Kanauj party may not be able to go beyond 1000 lbs. per month. But these figures cannot be stated with any approximation now. We are to wait for sometime and watch the actual stocks maintained by the two parties.

The arrangement will, perhaps, be clearer if the transactions of a month are worked out. Let us suppose for example that on the 1st September, Kuppam distillers had kept a stock of 1500 lbs. with the London agents and Kanauj kept 750 lbs., and that 12,000 lbs. of oil were sold in London during September. What will be the position of the parties at the end of September under the present arrangement? According to the understanding, Kuppam distillers are entitled to get credit for 120 x 11 = 1,320 lbs. Since their stock was 1500 lbs, they will get credit for full 1320 lbs., and the balance of 180 lbs. is carried over as their closing stock for September. Kanauj person is similarly entitled 120 x 9 = 1080 lbs. But as his stock was only 750 lbs., he gets credit only to that extent. The factory's share for the month works out to 12,000 lbs. less 1320 + 750 = 9930 lbs.

If

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If Kanauj party had maintained sufficient stock, the factory portion would have gone down to 9,600 lbs. The factory got benefit to the extent of 330 lbs. as the stock of one of the parties was below the limit. This can, no doubt, be construed that the Kanauj distiller has got his whole stock cleared, while as a matter of fact, he got credit for a smaller quantity than his quota as he failed to maintain sufficient stock.

When fixing proportions next time the actual stocks maintained by the two parties from month to month will necessarily be taken into account.

Both parties have already despatched some stocks to London and they will participate in the sales on the above basis.

I hope I have made the point clear.

The letter received from the Kangundi Industrials is retransmitted herewith for reference and kind return.

Yours sincerely,

Yaraswiga Rao

A S Repeaker
for 26/8/22

MSR 26/8

B. Venkoba Rao, Esq., B.A.,
Secretary to Government,
General Department,
Bangalore.

G.R.S. VI G 34]

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SUBJECT.....

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Diary No. of letter replied to.....

Section 91e

File No. 60-22

Serial No. 6 etc

General and Revenue Secretariat

( )

the 192

Proceedings of the Government of His Highness the Maharaja of Mysore

Date of issue....11th September 1922

Signed by....Mr. M.S.R. Rao

Read—

Letter no. 31 dated 4th July 1922 from the Director in charge S.O.F., submitting proposals in the matter of entering into an agreement with the Kanyendi Industrial Works of Kuppam and Sri Krishnaprasad Surajprasad of Kanni, for the sale of their B.P. Standard Sandal oil through the ~~Govt.~~ sole agency in London, on the following terms:-

(1) That the sales of Sandalwood oil distilled by the above parties be effected through the agents of Govt in London Messrs. Whiffen & Sons whom they accept as their agents as well. ~~Order Thereon—No~~

(2) That all sales of Sandal oil overseas shall be distributed in the ratio of 80: 11: 9 between the Govt Sandalwood oil factory, The Kanyendi Industrial Works and Sri Krishna-Prasad Surajprasad, respectively.

May this be

i Printed ?

ii treated as a standing order ?

iii published in the Gazette, English Part ?

iv translated ?

v placed at the disposal of the press ?

vi published in the Gazette, Kannada Part ?

(3) That the parties shall consign all oil intended for sale overseas to Messrs Whiffin & Sons London who they shall maintain Stock not less than that required for their order for the month. If their Stock with Messrs Whiffin & Sons on the 1st of each month is less than their allotment, or nothing, their credits for sale of oil shall likewise be either (equal) to such Stock or they shall get nothing exclusively that month.

(4) That all accounts and remittances shall be forwarded to the parties by the London agents direct.

(5) That the Sandal oil consigned by them may be subjected to test by the agents at the cost of the former and if not up to the Standard may be sold by the agents as inferior oil.

(6) That the parties accede to pay a commission of 2½ percent to the agents and 1½ percent to the Govt Sandalwood oil factory on the Value of the oil or 4 percent in all.

(7) That a uniform rate shall be adopted by all the parties to this agreement for local Sales of B. P. oil, the rate to be based on current London rates less costs.

order no 1621-2/[illegible]21

Govt are pleased to approve of the proposals of the Director as specified above. The arrangements shall begin to obtain from the 15th of April 1922 and shall be

10 3/8/22

List of enclosures.

Copied by

Examined by

WD 1888—GPB—1,000,00—21-12-21

(3)

G. R. S. G/33]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation sheet draft form.*)

in force for a period of one year.

The Director, S. O. 7, is requested to get a draft of an agreement on the above lines prepared in consultation with the Govt Advocate and submit it ~~for~~ herein for approval by Govt before execution.

29.7.22

29-7-22 Secretary to Govt
Genl Deptt

To

The Director, S. O. 7
(with the enclosure letter dt 30.6.22 from the Kanpur Municipal Board)
The Comptroller.

~~The Govt Advocate~~

9.8.22

SA
2/17

WD 2230—GPB—1,00,000—23-7-20

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Proceedings of the Government of His Highness
the Mah-raja of Mysore.

Read--

Letter No. 31 dated 4th July 1922 from the Director in charge Sandalwood Oil Factories submitting proposals in the matter of entering into an agreement with the Kangundi Industrial works of Kuppam and Mr. Mathuprasad Surajprasad of Kanuj, for the sale of their B.P. standard Sandalwood Oil through the Government sole agency in London on the following terms.-

(1) That the sales of Sandalwood Oil distilled by the above parties be effected through Messrs. Whiffen & Sons, the agents of Government in London whom they accept as their Agents as well.

(2) That all sales of Sandalwood Oil overseas shall be distributed in the ratio of 80:11:9 ~~whom~~ between the Government Sandalwood Oil Factory, The Kangundi Industrial works and Mr. Mathurra Prasad Surajprasad, respectively.

(3) That the parties shall consign all oil intended for sale overseas to Messrs. Whiffen & Sons, London with whom they shall maintain stock not less than that required for their quota for the month. If their stock with Messrs. Whiffen & Sons on the 1st of each month is less than their allotment, or nothing their credits for sale for oil shall likewise be ~~better~~ less either ~~equal~~ less to such stock or nothing respectively.

(4) That all accounts and remittances shall be forwarded to the parties ~~by the London~~ by the London Agents direct.

(5) That the Sandal Oil consigned by them may be subjected to test by the Agents at the cost of the former and if not up to the standard may be sold by the agents as uncertified oil.

(6) That the parties accept to pay a Commission of 2½% to the agents and 1½% to the Government Sandalwood Oil Factory on the value of the oil or 4 percent in all.

(7) That a uniform rate shall be adopted by all the

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parties to this agreement for local sales of B.P.Oil, the rate to be based on current London rates less costs.

Order, No. Je 1674-2/Dte 60-22-b

Dated, Bangalore the 14th September 1922.

Government are pleased to approve of the ~~x~~ proposals of the Director as specified above. The arrangements shall begin to operate from the 1st of July 1922 and shall be inforce for a period of one year. The Director, Sandalwood Oil Factories, is requested to get a draft of an agreement on the above lines prepared in consultation with the Government Advocate and submit~~xxx~~ it for the early approval by Government before execution.

for Secretary to Government,
General Department.

The Director, Sandalwood Oil Factories in Mysore, with the original letter dy 30.6.1922 from the Manager Industrial works
The Comptroller to Government.

Tel. Address:—"Sandal Bangalore."

SANDALWOOD OIL FACTORY,
SANKEY'S LODGE.

Bangalore 9th November 1922.

No. 1445

21848

GEN. & REV. SECRETARIAT
10 NOV 1922
INDUSTRIES & COMMERCE BRANCH.

GEN & REV. SEC
10 NOV 1922

From

Y. Narasinga Rau, Esq., B.A., B.L.,

Director-in-charge, Sandalwood Oil Factory,

Bangalore.

To

The Secretary to the Government of

His Highness the Maharaja of Mysore,

General Department.

Sir,

With reference to Government Order No.1641-2/I & C.60-22-6 dated the 14th of September, sanctioning the present arrangement with Kuppam and Kanauj distillers in the matter of selling sandalwood oil through a common agency in the over-seas market, I have the honour to state that the arrangement actually came into effect from the 1st of September last as stocks of the Kuppam distillers did not arrive in London before the end of August. The arrangement has so far caused no inconvenience to either of the parties.

With reference to the direction that a draft of an agreement should be prepared in consultation with the Government Advocate and submitted to Government for approval, I have to state that no formal agreement is considered necessary in the present case. I had referred this matter to Sir Alfred Chatterton who has written to me to say that he also is of opinion that no formal agreement is necessary. be allowed.

The arrangement may, therefore, continue as at present.

I have the honour to be,

S i r,

Your most obedient servant,

Y. Narasinga Rau

Director-in-charge.

G. R. S. VI—G/32]

SUBJECT.....

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Diary No. of letter replied to——

General and Revenue Secretariat

( )

the *191* .

Date of issue 11 — 12 — 1922

Signed by Mr M S R Rao

Section I & E

File No. 60-22

Serial No 8

No. 3805

To

The Director of S. O. T.

Sir,

With reference to correspondence ending with your letter No. 1445 dated 9th Nov. 1922 I am directed to state that the execution of a formal agreement with Kuppam and Kannauj distillers may be deferred for the present as suggested by you.

in accordance with the G. O. of the 4th September 1922

over.

I have etc.

29/12/22

For Genl Secretary to Govt